

Fact Sheet
Veterans' Advisory Committee on Education
Meetings of June and October 2005

Restructuring of the GI Bill; i.e. Total Force

A Total Force Working Group has been established to address the Veterans' Advisory Committee on Education's (VACOE) recommendation to combine into a single program the Montgomery GI Bill – Active Duty (MGIB) of title 38, U.S.C., chapter 30; the Montgomery GI Bill – Selected Reserves (MGIB – SR) of title 10, U.S.C., chapter 1606; and the Reserve Educational Assistance Program (REAP) of title 10, U.S.C., chapter 1607. The Working Group, composed of individuals from the Department of Veterans Affairs (VA) and Department of Defense (DoD), is tasked with examining the merits of the Committee's recommendation. The group has met five times since October 2005, and is making progress. Staff members from the House Committee on Veterans' Affairs have also expressed interest in this plan. The VACOE will be briefed on the progress of the Working Group at the next meeting.

Simplify the procedures

The Committee questioned the need for adjudicators to obtain information on credit for prior training before awarding VA educational assistance benefits. Title 38, U.S.C., Section 3675(b)(2), states in part that as a condition of approval, the educational institution must maintain a written record of previous education and training that the eligible person has received. It must also show that appropriate credit for the previous training has been given, and that the current training period has been shortened proportionately.

The Committee also asked if it was necessary for veterans to self certify every month before benefit checks are released. Title 38, U.S.C., Section 3680(g), allows VA to make this a requirement. After two studies in 1990 and 1997, it was recommended that monthly verifications be continued because of their significant impact on the avoidance and reduction of overpayments. VA has streamlined the verification process for the chapter 30 and chapter 1606 programs, which represent the largest number of trainees. For the chapter 30 and chapter 1606 programs combined, over 88% used the automated telephone system and Internet to verify enrollment in 2005. Most recipients verify their enrollment on the last day of the month or on the first day of the following month, which allows them to receive prompt payments. VA is reviewing these procedures to determine if there is a need to make additional improvements.

Improve information exchange between (DoD and VA)

Improvements have been made in the exchange of data and information between VA and DoD. However, when an education award with a kicker is processed, it is still necessary to contact DoD to verify the kicker. This process is not likely to change in the near future.

Invest in state-of-the-art IT systems (implementation of TEES)

VA asked Congress for funding to support TEES (The Education Expert System) to improve the processing of original and supplemental claims, as well as increase payment accuracy. This initiative is highly dependent upon the successful migration from the Benefits Delivery Network (BDN) to the new VBA corporate environment.

TEES, projected to be fully deployed by 2011, will electronically receive and process application and enrollment information, minimizing human intervention. TEES will perform all claims and payment activities currently performed by BDN. The TEES initiative will be funded within the new IT appropriation.

Hire additional staff to do claims processing or at a minimum, maintain budget FTE

The President's budget submission for 2007 includes \$92.3 million to fund the discretionary portion of the Education program. This funding will support 930 full time employees (FTE). Of the 758 direct FTE included in this request, 708 will be responsible for the direct processing of claims.

VA agrees with the Committee that it is critical to keep up with the increases in education claims. In 2005, VA received over 1.5 million benefit claims, an increase of 5.6 percent over the prior year and an increase of 67.6 percent over 2000. The number of students rose from 300,000 in 2000 to nearly 500,000 in 2005, an increase of 66.7 percent over a six-year period. We expect these workload levels will be sustained in 2006 and 2007.

VA expects to process 1,582,985 education claims in 2007. This represents a 3.3 percent increase over 2006 projections. VA believes this workload can be timely processed by the direct FTE requested.

Create a synergistic relationship with Congress in order to insure feasibility and support for any additional programs associated with the GI Bill

VA agrees with the Committee that it is necessary for VA, and in particular the Education Service, to work with Congress to promote and maintain a strong relationship with the common goal of helping our Nation's veterans. Education Service staff have had several meetings with staff from both the House Committee on Veterans' Affairs

and the Senate Committee on Veterans' Affairs to discuss ways to improve our service to veterans.

Wage progression (Municipal Government)

On several occasions in recent years, the Education Service studied the feasibility of paying MGIB benefits to individuals receiving the journeyman wage. The Service's research concluded that there has never been congressional intent to pay benefits when an individual reaches the journeyman wage level.

Active-duty entitlement

VA appreciates the committee's concern about how the active duty entitlement is calculated.

To address the Committee's concern regarding the use of active duty entitlement, VA needs to study the issue further. We will respond to the Committee after this study is completed. However, legislation would be required to accomplish this type of proposal.

Private/Faith-based funding

VA welcomes any proposals that could aid in a veteran's readjustment to civilian life and looks forward to receiving the Committee's concept paper.

Benchmarking

While VA appreciates the Committee's continued concern about the increased cost of education, VA does not support the concept of benchmarking the Montgomery GI Bill benefit rates to the cost of attendance at four-year, state-supported institutions. In recent years, the Montgomery GI Bill chapter 30 program received significant increases. Since fiscal year 2005, the program has been indexed to the Consumer Price Index (CPI) and will continue to be indexed to the CPI. In light of the increase, and considering budget implications, the Administration will continue to evaluate whether and to what extent further adjustments are needed.



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON
April 27, 2006



Mr. James Bombard
Chairman
Veterans' Advisory Committee on Education
Division of Veterans' Affairs
Bureau of Veterans Education
5 Empire State Plaza,
Suite 2836
Albany, NY 12223-1551

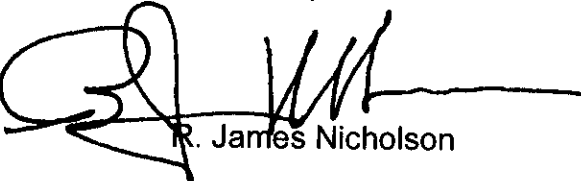
Dear Mr. Bombard:

Thank you for your letter transmitting the report of the Veterans' Advisory Committee on Education.

The enclosed fact sheet addresses the issues raised by the Committee. I appreciate the interest and careful consideration the Committee has given to veterans' education issues. It is important that the Montgomery GI Bill provide meaningful assistance to help meet today's educational costs.

Please thank the Committee for their kind words about our Central Office Education Service staff. I am proud of the quality service that our dedicated employees provide to our Nation's veterans.

Sincerely yours,



R. James Nicholson

Enclosure